



M/019/005

Cumberland Surety, Inc.

February 28, 2005

Mr. Daron Haddock
Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Bond reduction on Intrepid Oil & Gas, LLC permit M/019/005

Dear Mr. Haddock:

Please accept the reduction rider for Intrepid Oil & Gas LLC bond number _____ in the amount of \$1,762,820.

As per your letter to Mr. York of Intrepid Oil & Gas, LLC dated November 3, 2004, the amount of \$6,266,800 is now required for permit number M/019/005. Please retain bond number _____ in the amount of 2,384,460 and _____ in the amount of \$2,119,520. These bonds along with the reduced _____ in the amount of \$1,762,820 should total the required amount.

Please return the following Intrepid Oil & Gas, LLC bonds to Cumberland Surety, Inc. at the address listed above.

_____	\$2,384,460
_____	2,119,520
_____	2,119,520

Should you have any questions please contact me.

Sincerely,


Debbie Murphy
Bond Manager

RECEIVED

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DIV. OF OIL, GAS & MINING